

**STATE OF SOUTH CAROLINA**Duke Energy Carolinas, LLC's  
Quarterly Financial Reports**BEFORE THE  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA****COVER SHEET****DOCKET  
NUMBER: 2006-268-E**

(Please type or print)

**Submitted by:** Bonnie D. Shealy**SC Bar Number:** 11125**Address:** Robinson, McFadden & Moore, P.C.  
PO Box 944  
Columbia, SC 29202**Telephone:** (803) 779-8900**Fax:** (803) 252-0724**Other:** \_\_\_\_\_**Email:** bshealy@robinsonlaw.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

**DOCKETING INFORMATION** (Check all that apply)☐ **Emergency Relief demanded in petition**      ☐ **Request for item to be placed on Commission's Agenda expeditiously**☐ **Other:** \_\_\_\_\_

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input checked="" type="checkbox"/> Other: <u>General Matter</u>	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest		
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		



526 S. Church St.  
Charlotte, N. C. 28202  
Carol E. Shrum, Vice President  
Duke Energy Carolinas  
EC12K / P.O. Box 1006  
Charlotte, N. C. 28201-1006  
704 382-9826  
704 382-4671 fax

February 26, 2010

The Honorable Charles Terreni  
Chief Clerk and Administrator  
Public Service Commission of South Carolina  
Post Office Drawer 11649  
101 Executive Center Drive, Suite 100  
Columbia, South Carolina 29211

Dear Mr. Terreni:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC  
for the twelve months ending December 31, 2009. Please feel free  
to call me at (704) 382-9826 or Phil Stillman at (704) 382-8070.

Yours truly,

A handwritten signature in cursive script that reads 'Carol Shrum'.

Carol E. Shrum  
Rates & Regulatory Accounting

Enclosure

cc: Mr. Dukes Scott  
Executive Director  
Office of Regulatory Staff

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

James D. Wiles  
Signature of Person Making Verification

James D. Wiles  
Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting  
Title

02/26/10  
Date Signed

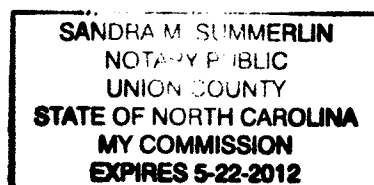
Brett C. Carter  
Signature of President

Brett C. Carter  
Typed or Printed Name of Person Signing

President, Duke Energy Carolinas  
Title

02/26/10  
Date Signed

Subscribed and sworn to before me this 26 day of February, 2009.



Sandra M. Summerlin  
Notary Public

My Commission Expires: 5-22-2012

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric Operating Revenue	\$ 5,485,354	23.8834%	\$1,310,090	\$ (1,274)	\$ 1,308,816
2	Electric Operating Expenses:					
3	Operation and Maintenance:					
4	Fuel Used in Electric Generation	1,439,057	24.7009%	355,460	(1,248)	354,212
5	Purchased Power and Net Interchange	174,761	19.4506%	33,992	(32)	33,960
6	Wages, Benefits, Materials, etc.	1,574,663	23.5729%	371,194	(205)	370,989
7	Depreciation and Amortization	666,105	24.4289%	162,722	12,282	175,004
8	General Taxes	332,027	20.2818%	67,341	3,941	71,282
9	Interest on Customer Deposits	4,598	14.4628%	665	0	665
10	Income Taxes	372,275	24.9939%	93,046	(4,771)	88,275
11	Amortization of Investment Tax Credit	(7,625)	23.1607%	(1,766)	7	(1,759)
12	Total Electric Operating Expenses	4,555,861	23.7640%	1,082,654	9,974	1,092,628
13	Operating Income	\$ 929,493	24.4688%	\$ 227,436	\$ (11,248)	\$ 216,188
14	Add: Customer Growth Adjustment				149	149
15	Income for Return			\$ 227,436	\$ (11,099)	\$ 216,337
16	Original Cost Rate Base (b)			\$ 2,929,611	\$ 116,547	\$ 3,046,158
17	Rate of Return on South Carolina Retail Rate Base			7.76%		7.10%

Notes: (a) From Page 3, "Total adjustments" line.

(b) From Page 4, Line 11.

Line No.	Description	Total Company Capitalization December 31, 2009		South Carolina Retail					
		Amount (Col. 1)	Ratio (a) (Col. 2)	Per Book			Pro forma		
				Retail Rate Base (Col. 3)	Embedded Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Embedded Cost/ Return % (Col. 7)	Operating Income (Col. 8)
1	Long-Term Debt	\$ 6,957,279	45.00%	\$ 1,318,325	5.59%	\$ 73,694	\$ 1,370,771	5.59%	\$ 76,626
2	Preferred Stock	-	0.00%	-	0.00%	-	-	0.00%	-
3	Members' Equity	8,503,342	55.00%	1,611,286	9.54%	153,742	1,675,387	8.34%	139,711
4	Total	\$ 15,460,621	100.00%	\$ 2,929,611	(b)	\$ 227,436	\$ 3,046,158	(f) (g)	\$ 216,337
		=====	=====	=====		=====	=====		=====

Notes: (a) The actual capitalization ratios at the end of period are 46.29% for long-term debt, 0.00% for preferred stock, and 53.71% for members' equity.

(b) From Page 4, Line 11, Column 2.

(c) From Page 1, Line 15, Column 2.

(d) From Page 4, Line 11, Column 4.

(e) From Page 1, Line 15, Column 4.

(f) If adjusted for weather, this rate would be 8.31%.

(g) Excludes pre-tax non-firm wholesale sales profits for the total system of approximately \$8 million for the 12 months ended 12/31/09.  
A net of tax South Carolina Retail allocation of profits would amount to approximately \$1 million.

Duke Energy Carolinas, LLC  
DETAIL OF ACCOUNTING ADJUSTMENTS - SOUTH CAROLINA RETAIL  
SC Quarterly for December 31, 2009  
(Thousands of Dollars)

Page 3

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To annualize depreciation on year-end plant	\$ -	\$ -	\$ -	\$ -	\$ 8,171	\$ -	\$ -	\$ (3,209)	\$ -	\$ (4,962)
2	To annualize wage rate increases	-	-	-	1,117	-	530	-	(647)	-	\$ (1,000)
3	To annualize property taxes on year-end plant	-	-	-	-	-	2,800	-	(1,100)	-	\$ (1,700)
4	To reflect CWIP closings to plant	-	-	-	-	4,750	833	-	(2,192)	-	\$ (3,391)
5	To adjust income taxes to reflect interest synchronization	-	-	-	-	-	-	-	1,427	-	\$ (1,427)
6	To exclude Greenwood operations	(1,274)	(1,248)	(32)	(1,322)	(639)	(222)	-	950	7	\$ 1,232
7	Total Adjustments	\$ (1,274)	\$ (1,248)	\$ (32)	\$ (205)	\$ 12,282	\$ 3,941	\$ -	\$ (4,771)	\$ 7	\$ (11,248)

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric Plant in Service	\$ 25,742,801		\$ 6,044,233	\$ 139,630	\$ 6,183,863
2	Less: Accumulated Depreciation and Amortization	(11,791,519)		(2,657,126)	(12,921)	(2,670,047)
3	Net Electric Plant	13,951,282		3,387,107	126,709	3,513,816
4	Add: Materials and Supplies	849,454	22.9255%	205,694	-	205,694
5	Working Capital Investment	1,058,179		237,803	-	237,803
6	Plant Held for Future Use	3,127	23.2521%	727	-	727
7	Less: Accumulated Deferred Taxes	(2,740,819)	28.3359%	(776,635)	-	(776,635)
8	Operating Reserves	(441,057)	24.3701%	(107,486)	-	(107,486)
9	Customer Deposits	(78,855)		(17,599)	-	(17,599)
10	Greenwood				(10,162)	(10,162)
11	Total Original Cost Rate Base	\$ 12,601,312		\$ 2,929,611	\$ 116,547	\$ 3,046,158

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 13,048,284		\$ 2,936,689	\$ 91,819	\$ 3,028,508
2	Transmission	2,413,849	19.5292%	471,407	13,445	484,852
3	Distribution (b)	8,412,064	25.8207%	2,172,054	26,343	2,198,397
4	General	572,566	24.1712%	138,396	5,691	144,087
5	Intangible	346,524	24.2591%	84,064	2,332	86,396
6	Subtotal	24,793,287	23.4040%	5,802,610	139,630	5,942,240
7	Nuclear Fuel	949,514	25.4470%	241,623		241,623
8	Total Electric Plant in Service	\$ 25,742,801 (a)		\$ 6,044,233	\$ 139,630	\$ 6,183,863

Notes: (a) Excludes asset retirement obligations, electric plant held for future use, electric plant acquisition adjustments, and other electric plant adjustments of \$880,351 thousand.

(b) The accounting adjustment in Col. 3 represents non-growth related additions to distribution plant.



Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 6,207,909		\$ 1,262,843	\$ 9,748	\$ 1,272,591
2	Transmission	1,112,219	19.4435%	216,254	447	216,701
3	Distribution	3,536,786		940,424	1,418	941,842
4	General	\$79,510		\$21,587	842	22,429
5	Intangible	251,857	24.8205%	62,512	466	62,978
6	Subtotal	11,188,281	22.3772%	2,503,620	12,921	2,516,541
7	Nuclear Fuel	603,238	25.4470%	153,506		153,506
8	Total Accumulated Depreciation and Amortization	\$ 11,791,519 (a)		\$ 2,657,126	\$ 12,921	\$ 2,670,047

The annual composite rates for computing depreciation (straight-line method) are shown below.

9	Steam Production Plant	3.57%
10	Nuclear Production Plant (Excl. Nuclear Decommissioning)	2.35%
11	Hydro Production Plant	3.44%
12	Combustion Turbines	3.62%
	Transmission Plant:	
13	Right-of-Way	1.16%
14	Other	2.03%
15	Distribution Plant	2.33%
16	General Plant	Various
17	Land Rights	0.81% - 1.88%
18	Intangible Plant	20.00%

Note: (a) Excludes accumulated depreciation of asset retirement obligations and accumulated depreciation of electric plant acquisition adjustments totaling \$227,019 thousand. Includes accumulated depreciation of cost of removal and asset retirement obligation regulatory liability totaling \$1,339,224 thousand.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
	Fuel Stock:					
1	Coal	\$ 404,064	25.4470%	\$ 102,822	\$ -	\$ 102,822
2	Oil	30,302	25.4470%	7,711	-	8,824
3	Total Fuel Stock	434,366	25.4470%	110,533	-	110,533
4	Other Electric Materials and Supplies & Stores Clearing	415,088	22.9255%	95,161	-	95,161
5	Total Materials and Supplies	\$ 849,454		\$ 205,694	\$ -	\$ 205,694

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve Months Operating and Maintenance Expenses, Exclusive of Purchased Power and Nuclear Fuel Expense	\$ 2,845,818		\$ 683,839	-	\$ 683,839
2	1/8 of O&M Expenses on Line 1	\$ 355,727		\$ 85,480		\$ 85,480
3	Less: Average Taxes Accrued	64,453		12,270	-	12,270
4	Subtotal	420,180		97,750	-	97,750
5	Required Bank Balances	464	23.6051%	110	-	110
6	Bond Reacquisition Premiums	87,017	15.0522%	13,098	-	13,098
7	Prepayments	550,518	23.0411%	126,845	-	126,845
8	Total Working Capital Investment	\$ 1,058,179		\$ 237,803	\$ -	\$ 237,803

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 2,631,122	24.5246%	\$ 645,272	\$ -	\$ 645,272
2	Transmission	97,163	19.4407%	18,889	-	18,889
3	Distribution	73,500	25.8207%	18,978	-	18,978
4	General	36,290	24.1712%	8,772	-	8,772
5	Intangible	210,585	24.2591%	51,086	-	51,086
6	Total Construction Work in Progress	<u>\$ 3,048,660</u> =====		<u>\$ 742,997</u> =====	<u>\$ -</u> =====	<u>\$ 742,997</u> =====

Line

No.   Description

Twelve Months Ended 31-Dec-2009

1	SEC Fixed Charges Coverage	3.63
2	Earnings per Share	\$0.83

Line No.	Item	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$ 2,281,559			\$ 1,755,223	76.9309%	\$ 526,335	23.0691%
2	Commercial	1,833,561			1,432,277	78.1145%	401,284	21.8855%
3	Industrial	956,535			569,922	59.5819%	386,613	40.4181%
4	Public Street & Hghwy Lighting	36,544			31,363	85.8233%	5,181	14.1767%
5	Interdepartmental	-			-	0.0000%	-	0.0000%
6	Sales for Resale:							
7	Special Contract	276,433	233,257	84.3809%	42,863	15.5058%	313	0.1134%
8	Other	11,195	11,195	100.0000%	-	0.0000%	-	0.0000%
9	Total Rev from Sales of Electricity	\$ 5,395,827	\$ 244,451	4.5304%	\$ 3,831,649	71.0113%	\$ 1,319,727	24.4583%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	27,272,508			20,826,820	76.3656%	6,445,688	23.6344%
11	Commercial	26,976,861			21,309,864	78.9931%	5,666,996	21.0069%
12	Industrial	19,204,140			11,461,529	59.6826%	7,742,611	40.3174%
13	Public Street & Hghwy Lighting	286,488			243,980	85.1624%	42,508	14.8376%
14	Interdepartmental	-			-	0.0000%	-	0.0000%
15	Sales for Resale:							
16	Special Contract	5,300,682	4,472,761	84.3809%	821,912	15.5058%	6,009	0.1134%
17	Other	216,455	216,455	100.0000%	-	0.0000%	-	0.0000%
18	Total KWH Sales	79,257,135	4,689,217	5.9165%	54,664,105	68.9706%	19,903,813	25.1130%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	8.37			8.43		8.17	
20	Commercial	6.80			6.72		7.08	
21	Industrial	4.98			4.97		4.99	
22	Public Street & Hghwy Lighting	12.76			12.85		12.19	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	5.22	5.22		5.22		5.22	
26	Other	5.17	5.17		0.00		0.00	
27	Total Revenue per KWH Sold	6.81	5.21		7.01		6.63	